

Minutes of the Regular Business Meeting of the
Board of Mayor and Aldermen of the City of Kingsport, Tennessee
Tuesday, January 11, 2011, 7:00 PM
Large Court Room – City Hall

PRESENT: Board of Mayor and Aldermen

Mayor Dennis R. Phillips, Presiding
Alderman Valerie Joh
Vice-Mayor Benjamin K. Mallicote
Alderman Charles K. Marsh, Jr.

Alderman Larry A. Munsey
Alderman Tom C. Parham
Alderman Jantry Shupe

City Administration

John G. Campbell, City Manager
J. Michael Billingsley, City Attorney
James H. Demming, City Recorder

- I. **CALL TO ORDER:** 7:00 p.m., by Mayor Dennis R. Phillips.
- II.A. **PLEDGE OF ALLEGIANCE TO THE FLAG:** Chris McCartt, Assistant to the City Manager.
- II.B. **INVOCATION:** By Jack Weikel, Associate Minister – First Broad Street UMC.
- III. **ROLL CALL:** By City Recorder Demming.
- IV. **RECOGNITIONS AND PRESENTATIONS.** None.
- V. **APPROVAL OF MINUTES.**

Motion/Second: Joh/Parham, to approve minutes for the following meetings:

- A. December 20, 2010 Regular Work Session
- B. December 21, 2010 Regular Business Meeting

Approved: All present voting “aye.”

VI. **COMMUNITY INTEREST ITEMS.**

AA. **PUBLIC HEARINGS.**

- 1. **Public Hearing for Annexation Annual Plan of Services Report** (AF: 1-2011). City Planner Forrest Koder gave a brief presentation on this item.

PUBLIC COMMENT ON ITEM VI.AA.1. None.

- A. **PUBLIC COMMENT.** Mayor Phillips invited citizens in attendance to speak about any of the remaining agenda items.

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Mr. Sam Anderson stated he represented several local business people who would like to see Mayor Phillips run for office again.

Mr. Pal Barger agreed with Mr. Anderson's comments and further stated he had gone to Blountville and picked up a petition to run for the Mayor. He then listed the top 10 reasons why Mayor Phillips should run again.

Mayor Phillips commented that he appreciated everyone's support and also stated that serving with this Board has been one of the highlights of his life.

B. BUSINESS MATTERS REQUIRING FIRST READING.

1. Consideration of a Resolution to Accept the "Proposal of the Department of Transportation of the State of Tennessee to the City of Kingsport, Tennessee" for the I-26 Welcome Center [Project No. NH-I-26(39); 82084-2129-44] and Authorize the Mayor to Sign All Applicable Documents (AF: 3-2011).

Motion/Second: Munsey/Parham, to pass:

AN ORDINANCE TO ACCEPT THE PROPOSAL OF THE DEPARTMENT OF TRANSPORTATION OF THE STATE OF TENNESSEE TO CONSTRUCT A PROJECT DESIGNATED AS FEDERAL PROJECT NUMBER NH-1-26(39); STATE PROJECT NUMBER 82084-2129-44, DESCRIBED AS I-26 WELCOME CENTER (CORRIDOR B) SULLIVAN COUNTY; TO AUTHORIZE THE MAYOR TO EXECUTE THE PROPOSAL AND ALL APPLICABLE DOCUMENTS; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

Passed on first reading: All present voting "aye."

2. Consideration of an Ordinance to Amend the FY2011 General Purpose School Fund and General Project Fund Budgets to Provide Funding for the School's Administrative Support Center (AF: 14-2011). City Manager Campbell gave details on this item, noting this was a timely need for the schools. Alderman Marsh spoke in opposition, stating that school management told the Board in November they had all the money necessary for this project. He also disagreed with the City competing with the private sector – specifically in real estate. Alderman Parham noted this was an investment and would ultimately help businesses in the long term. Mr. Parham further noted the City already owns the property and it would be a benefit to spend a small amount to better utilize the space.

Motion/Second: Joh/Parham, to pass:

AN ORDINANCE TO AMEND THE GENERAL PURPOSE SCHOOL FUND AND THE GENERAL PROJECT FUND BUDGETS TO FUND THE CENTRAL OFFICE PROJECT FOR THE FISCAL YEAR ENDING JUNE 30, 2011; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

Passed on first reading: All present voting "aye" except Marsh voting "nay."

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3. Consideration of a Resolution to Authorize the Mayor to Sign all Documents Necessary to Enter into a Materials Agreement with Gary Alexander Related to Riverbend – Epcon Phase II and an Ordinance to Appropriate the Funds (AF: 17-2011). This item was pulled from the agenda.

C. BUSINESS MATTERS REQUIRING FINAL ADOPTION. NONE.

D. OTHER BUSINESS.

1. Consideration of a Resolution to Amend the Lease Agreement with the Susan G. Komen Breast Cancer Foundation for Additional Office Space in the V.O. Dobbins, Sr. Complex (AF: 4-2011). Responding to a question Alderman Marsh asked yesterday at the work session, Assistant to the City Manager Chris McCartt stated the total square footage for this building was 103,455. Alderman Marsh stated that once again the City was competing with the private sector through subsidizing. He also felt that tax-paying citizens were being forced to contribute to the charitable organizations leasing these spaces from the City.

Motion/Second: Joh/Shupe, to pass:

Resolution No. 2011-146, A RESOLUTION APPROVING AN AMENDMENT TO THE LEASE AGREEMENT BETWEEN THE CITY OF KINGSPORT AND TRI-CITIES AFFILIATE OF SUSAN G. KOMEN BREAST CANCER FOUNDATION FOR ADDITIONAL SPACE IN THE V.O. DOBBINS COMPLEX LOCATED IN THE CITY OF KINGSPORT AND AUTHORIZING THE MAYOR TO EXECUTE THE AMENDMENT AND ALL DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE AMENDMENT

Passed: All present voting "aye."

2. Consideration of a Resolution Awarding the Bid for Commodity Processing of Certain Food Items for the City of Kingsport School Food and Nutrition Program to Tyson Foods and Authorizing the Mayor to Sign All Applicable Documents (AF: 13-2011).

Motion/Second: Parham/Joh, to pass:

Resolution No. 2011-147, A RESOLUTION AWARDED THE BID FOR COMMODITY PROCESSING OF CERTAIN FOOD ITEMS FOR USE BY KINGSPORT SCHOOL FOOD AND NUTRITION PROGRAM AND AUTHORIZING THE CITY MANAGER TO EXECUTE A PURCHASE ORDER FOR THE SAME

Passed: All present voting "aye."

3. Consideration of a Resolution to Enter into a Contractual Agreement with the Tennessee Department of Transportation for Reimbursement of Operating Expenses for FY2010 (AF: 2-2011).

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Motion/Second: Joh/Shupe, to pass:

Resolution No. 2011-148, A RESOLUTION AUTHORIZING THE MAYOR TO ENTER INTO AN AGREEMENT WITH THE TENNESSEE DEPARTMENT OF TRANSPORTATION FOR REIMBURSEMENT OF CITY TRANSIT SYSTEM OPERATING EXPENDITURES FOR FISCAL YEAR 2010-2011

Passed: All present voting "aye."

4. Consideration of a Resolution Awarding the Bid for the Roundabout at Netherland Inn Road & S. R. 355 (Industry Drive & Center Street) and Authorize the Mayor to Sign All Applicable Documents (AF: 9-2011). City Manager Campbell gave details on this item, noting the winning bid was approximately \$250,000 under the original estimate. Alderman Parham commented this was a very important step in the redevelopment of the Riverfront area. Alderman Marsh asked if there were any provisions established if this project was not completed within the allotted 180 days. Public Works Director Ryan McReynolds stated the construction company would pay \$1,000 per calendar day in liquidated damages after the allotted completion time. Mayor Phillips noted this provision should be placed in all future contracts.

Motion/Second: Parham/Joh, to pass:

Resolution No. 2011-149, A RESOLUTION AWARDED THE BID FOR THE ROUNDABOUT AT NETHERLAND INN ROAD AND STATE ROUTE 355 (INDUSTRY DRIVE AND CENTER STREET) TO LYONS CONSTRUCTION SERVICES, INC. AND AUTHORIZING THE MAYOR TO EXECUTE AN AGREEMENT AND ALL OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE AGREEMENT

Passed: All present voting "aye."

5. Consideration of a Resolution Awarding the Bid for the Purchase of One (1) Automated Refuse Truck, Diesel Powered, to Stringfellow, Inc. (AF: 158-2011).

Motion/Second: Joh/Shupe, to pass:

Resolution No. 2011-150, A RESOLUTION AWARDED THE BID FOR PURCHASE OF ONE DIESEL POWERED AUTOMATED REFUSE TRUCK TO STRINGFELLOW, INC. AND AUTHORIZING THE CITY MANAGER TO EXECUTE A PURCHASE ORDER FOR THE SAME

Passed: All present voting "aye."

6. Consideration of a Resolution Awarding the Bid for the Purchase of Eight (8) Black and White Police Package Sedans and Two (2) Unmarked Police Package Sedans to Fairway Ford (AF: 16-2011). This item was deferred until the next regular Board of Mayor and Alderman meeting on 2/1/11.

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Deferred:

A RESOLUTION AWARDDING THE BID FOR PURCHASE OF EIGHT BLACK AND WHITE POLICE PACKAGE SEDANS AND TWO UNMARKED POLICE PACKAGE SEDANS TO FAIRWAY FORD AND AUTHORIZING THE CITY MANAGER TO EXECUTE A PURCHASE ORDER FOR THE SAME

Passed: All present voting "aye."

7. Consideration of a Resolution Authorizing the Mayor to Execute All Documents Necessary to Extend the Lease Agreement with James Palmer for City-Owned Real Property Located at 2102 East Center Street (AF: 6-2011). Mayor Phillips clarified this lease extension was for one year only.

Motion/Second: Joh/Parham, to pass:

Resolution No. 2011-151, A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE ALL DOCUMENTS NECESSARY AND PROPER TO EXTEND THE LEASE AGREEMENT FOR PROPERTY AT 2102 EAST CENTER STREET TO JAMES H. PALMER

Passed: All present voting "aye."

8. Consideration of a Resolution Authorizing the Mayor to Sign All Applicable Documents Necessary and Proper to Purchase 1731 Keller Street (AF: 12-2011).

Motion/Second: Parham/Joh, to pass:

Resolution No. 2011-152, A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE ALL DOCUMENTS NECESSARY AND PROPER FOR THE PURCHASE OF PROPERTY LOCATED AT 1731 KELLER STREET

Passed: All present voting "aye."

9. Consideration of a Resolution to Offer a Limited Retirement Incentive to Eligible Employees (AF: 5-2011). City Manager Campbell provided details on this item. Responding to concerns from Alderman Marsh, Mr. Campbell stated the reason employment numbers have increased in the last couple of years was the result of the creation of Zone 7 for the police department and Stations 7 and 8 for the fire department. He noted five of the new police officer positions are being funded through a COPS grant. Alderman Marsh stated there should be a meaningful measure to count heads. Mayor Phillips pointed out the concern is about payroll costs rather than the number of employees. Mr. Campbell further stated that some positions would have to be refilled, but with this buyout, top-scale employees can be replaced by lower scale employees for budgetary savings. Alderman Parham commented this would also give the City the chance to reorganize and provide opportunities for younger people. Alderman Shupe remarked the City should consider a bridge retirement at some point in the future. Mayor Phillips noted that he has received three calls regarding snow removal recently. If Kingsport continues to grow and annex, then more employees and equipment will be needed or services will deteriorate. He mentioned the miles of roads

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that have been annexed in the last three years. He further noted that community policing has already been cut back and citizens are aware of it and respond.

Motion/Second: Munsey/Shupe, to pass:

Resolution No. 2011-153, A RESOLUTION AUTHORIZING THE CITY MANAGER TO OFFER A RETIREMENT INCENTIVE FOR A LIMITED TIME TO ELIGIBLE EMPLOYEES

Passed: All present voting "aye" except Marsh voting "nay."

10. Consideration of a Resolution Approving an Amendment to the Permanent Easement Agreement for the Meadowview Resort, Conference and Convention Center and Authorizing the Mayor to Execute the Amendment (AF: 18-2011). City Attorney Billingsley explained the changes to this agreement. Alderman Munsey questioned if this changed the basic agreement with Meadowview and Mr. Billingsley replied it did not. The 2% fee based on the first 195 room rentals will result in more income for the City. Alderman Marsh noted this helps to increase revenue in order to offset expenses. Alderman Munsey also asked if the room in the restaurant that was reserved for the city was ever discussed with the Board. City Manager Campbell stated that it was talked about in the design stage.

Motion/Second: Joh/Parham, to pass:

Resolution No. 2011-154, A RESOLUTION APPROVING AN AMENDMENT TO THE PERMANENT EASEMENT AGREEMENT FOR THE MEADOWVIEW RESORT CONFERENCE AND CONVENTION CENTER AND AUTHORIZING THE MAYOR TO EXECUTE THE AMENDMENT AND ALL DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE AMENDMENT

Passed: All present voting "aye."

E. APPOINTMENTS/REAPPOINTMENTS.

The following appointments/reappointments were considered under one motion.

Motion/Second: Shupe/Parham, to approve:

1. Consideration of Reappointments to the Senior Center Advisory Committee (AF: 10-2011). Mayor Phillips noted that Mr. Ketron's first name is Wallace and not William.

Approve:

REAPPOINTMENT OF MS. CLARA DULANEY AND MR. WILLIAM KETRON TO SERVE ANOTHER TWO-YEAR TERM ON THE **SENIOR CENTER ADVISORY COMMITTEE**, EFFECTIVE JANUARY 1, 2011, AND EXPIRING DECEMBER 31, 2012

Passed: All present voting "aye."

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2. Consideration of Appointments to the Library Commission
(AF: 11-2011).

Approve:

APPOINTMENTS OF MS. VIRGINIA FRANK AND MS. JULIE GUNN TO SERVE ON THE ***LIBRARY COMMISSION***, EFFECTIVE JANUARY 1, 2011 AND WILL COMPLETE UNEXPIRED TERMS FROM PREVIOUS MEMBERS. VIRGINIA FRANK'S TERM WILL EXPIRE ON MARCH 31, 2012 AND SHE WILL BE REPLACING BRUCE SITES. JULIE GUNN'S TERM WILL EXPIRE ON JUNE 30, 2011 AND SHE WILL BE REPLACING BARBARA GOODLETT.

CATHERINE ANDERSON-QUIÑONES WILL ALSO SERVE ON THE COMMISSION IN A NON-VOTING CAPACITY REPRESENTING AREA HIGH SCHOOL STUDENTS.

Passed: All present voting "aye."

NOTE: At this time, Mayor Phillips asked the Board to also consider two appointments to the Animal Shelter Board: Susan Krein and Valerie Joh.

Alderman Munsey requested an update on the use of the dog park. Assistant to the City Manager Chris McCartt replied he would get the number of registered users.

VII. CONSENT AGENDA.

Consent Agenda items are considered under one motion.

Motion/Second: Munsey/Joh, to adopt/approve:

1. Consideration of an Ordinance to Amend the FY 2011 Federal Projects Fund Balance (AF: 355-2010).

Adopt:

Ordinance No. 6055, AN ORDINANCE TO AMEND THE SCHOOL FEDERAL GRANT PROJECTS FUND BUDGET; AND, TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

Passed on second reading in a roll call vote: Joh, Mallicote, Marsh, Munsey, Parham, Shupe and Phillips voting "aye."

2. Consideration of an Ordinance to Appropriate 2009 and 2010 Payments Made to Kingsport Fire Department for Domtar Training to Purchase Property for Fire Station #3 and to Appropriate Funds to the Fire Training Facility/Equipment Project (AF: 387-2010).

Adopt:

Ordinance No. 6056, AN ORDINANCE TO AMEND THE GENERAL PROJECTS FUND BUDGET BY APPROPRIATING FUNDS RECEIVED FROM DOMTAR PAPER

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COMPANY AND BY TRANSFERRING FUNDS FROM THE FIRE DEPARTMENT TRAINING FACILITY PROJECT FOR THE YEAR ENDING JUNE 30, 2011; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

Passed on second reading in a roll call vote: Joh, Mallicote, Marsh, Munsey, Parham, Shupe and Phillips voting "aye."

3. Consideration of an Ordinance to Amend the FY 2011 General Purpose School Fund and School Nutrition Services Budgets (AF: 397-2010).

Adopt:

Ordinance No. 6057, AN ORDINANCE TO AMEND THE GENERAL PURPOSE SCHOOL FUND AND THE SCHOOL NUTRITION SERVICES FUND BUDGETS; AND, TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

Passed on second reading in a roll call vote: Joh, Mallicote, Marsh, Munsey, Parham, Shupe and Phillips voting "aye."

4. Consideration of an Ordinance Amending the General Project Funds to Fund the Central Office Project for the Fiscal Year Ending June 20, 2011 (AF: 403-2010).

Adopt:

Ordinance No. 6058, AN ORDINANCE TO AMEND THE GENERAL PROJECT FUNDS TO FUND THE CENTRAL OFFICE PROJECT FOR THE FISCAL YEAR ENDING JUNE 30, 2011; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

Passed on second reading in a roll call vote: Joh, Mallicote, Munsey, Parham, Shupe and Phillips voting "aye" with Marsh voting "nay."

5. Consideration of an Approval of Offer for Easement and Rights-of-Way for the Rebecca Fleenor Property Water Line Project (AF: 8-2011).

Approve:

CONSIDERATION OF AN APPROVAL OF OFFER FOR EASEMENT AND RIGHTS-OF-WAY FOR THE REBECCA FLEENOR PROPERTY WATER LINE PROJECT

Passed in a roll call vote: Joh, Mallicote, Marsh, Munsey, Parham, Shupe and Phillips voting "aye."

VIII. COMMUNICATIONS.

A. CITY MANAGER. Mr. Campbell applauded the Public Works department during the recent snow removal. He noted these are trying times with reduced salt levels and an outstanding order. He apologized that they haven't been able to get to all the streets they usually do, stating several other cities are having similar problems. Mr. Campbell commented the incoming Governor's staff was very pleased with the Meadowview facilities, noting there was a great turnout last night.

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B. MAYOR AND BOARD MEMBERS. Alderman Shupe commented he hoped the Mayor would consider running again, noting his progressive leadership. Alderman Joh invited everyone to attend one of the Carousel workshop open houses being held every Thursday this month at Lynn View Community Center. Alderman Marsh remarked he saw Police Chief Osborne earlier today, stating he looked good and hoped to be back to work soon. Alderman Parham recognized Alderman Marsh and his recent election to the RAIL Solution Board of Directors. Vice-Mayor Mallicote commented that a large sign was still needed at the Shelby Street parking lot before the construction begins on the parking garage. City Manager Campbell advised the proof was approved earlier today. Mr. Campbell also noted that construction would be delayed for about a week due to the recent amount of snow. Mayor Phillips passed on information from Senior Center Director Shirley Buchanan of the recent passing of member B.L. Wilder, who has made over 1,000 dulcimers as a master crafter at the Senior Center. Mayor Phillips then congratulated Tim Elsea on passing his professional engineering test. Mayor Phillips further noted that the city has met with bank representatives and will be soon be able to take Mastercard and Visa credit cards on utility payments. Certain limitations have been set by Visa and there will be a convenience fee at least until July. Also, initially, credit card payments will only be accepted over the phone – not in person. Alderman Munsey stated if the city chooses to offer this convenience, there should not be a fee. Mayor Phillips stated that issue will be addressed in next year's budget.

C. VISITORS. None.

IX. ADJOURN. Seeing no other business for consideration at this meeting, Mayor Phillips adjourned the meeting at 8:28 p.m.


ANGELA MARSHALL
Deputy City Recorder




DENNIS R. PHILLIPS
Mayor